

Amendment No. 1 to SB3394

Crutchfield
Signature of Sponsor

AMEND Senate Bill No. 3394

House Bill No. 3512

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

By deleting Sections 1 and 2 of the printed bill in their entirety and substituting instead the following:

SECTION 1. This Act may be cited as the “TennCare Program Integrity Unit Reform Act of 2004.”

SECTION 2. Tennessee Code Annotated, Section 71-5-118 (a), is amended by deleting in the first sentence the words “The commissioner of health” and substituting instead the following:

The commissioner of finance and administration

SECTION 3. Tennessee Code Annotated, Section 71-5-118, is hereby amended by adding the following as subparagraph (b)(1)(B) and by renumbering the existing subparagraph (b)(1)(B) as subparagraph (b)(1)(C):

(b)(1)(B) A person, including an enrollee, recipient, or applicant, who is eligible for TennCare, commits an offense who, knowingly, makes a willfully false statement, or conceals a material fact, relating to his or her personal or household income, assets, or property holdings, thereby resulting in the assessment of a lower monthly premium than he or she would be required to pay if not for the false statement or concealment of a material fact.

SECTION 4. Tennessee Code Annotated, Section 71-5-118(h), is amended by inserting after the second sentence and before the existing third sentence the following language:

In the course of the aforementioned investigation, the program integrity unit shall have the power to request employment records of such persons from such persons’ current and former employers. Employment records include, but are not limited to, employment details, wages, and insurance information of TennCare applicants and enrollees. Employment records shall be open to inspection and be subject to being copied by a program integrity unit representative at

any reasonable time and as often as may be necessary. The program integrity unit shall also have the right to compare information reported to TennCare by applicants and/or enrollees with data maintained by the credit bureau(s).

SECTION 5. Tennessee Code Annotated, Section 71-5-118, is amended by adding as a new subsection (n) the following language:

(n) All managed care organizations, contractors, subcontractors, providers or any other person or entity shall advise the MFCU and/or Program Integrity Unit (PIU) immediately in a written report of any cases of suspected fraud or abuse. The MFCU and/or PIU shall review the report to determine if there is sufficient basis to warrant a full investigation.

SECTION 6. Tennessee Code Annotated, Section 71-5-118 (g), is amended by deleting the subsection in its entirety and substituting instead the following:

(g) When conducting any investigation relating to a TennCare applicant or enrollee, the Program Integrity Unit within the TennCare Bureau shall have the power to issue subpoenas, and compel the attendance of witnesses and the production of books, accounts, papers, records, documents and testimony relating to such investigations.

SECTION 7. This act shall take effect on July 1, 2004, the public welfare requiring it.